

Transportation Asset Management International Scanning Tour

Background - Wellington (Monday, April 11 and Tuesday April 12, 2005)

The team spent two days in Wellington. We met with the Ministry of Transport, Land Transport New Zealand, Transit New Zealand, National Asset Management Steering (NAMS) Group and the Road Information Management Systems (RIMS) Group.

Basic facts

<http://www.cia.gov/cia/publications/factbook/geos/nz.html>

Ministry of Transport

Roger Toleman, Deputy Secretary Strategic Directions, New Zealand Ministry of Transport

The Ministry of Transport is charged with setting the strategic directions for transportation in New Zealand. The ministry goal is that by 2010 New Zealand will have an affordable, integrated, safe, responsive, and sustainable transport system.

More information is available on www.transport.govt.nz

What does this mean?

- Each mode should do what it is best suited for
- Better understand costs and benefits
- Recognize economic development impacts

The broader focus embracing sustainability was the result of the Surface Transport Costs and Charges Study (STCC) (document is on website). The study created an information base of future transport policy that identified the gap between funds collected and what is spent, and recognized the need to include “Infrastructure Capital Return”

The statutory objective of the ministry is:

“Top operate the state highway system in a way that contribute to an integrated, safe, responsive and sustainable land transport system.”

This objective becomes the objective of the crown entities that management and operate the system.

Land Transport New Zealand

Presentations

Introduction and Overview – Organizational Framework
Wayne Donnelly – Chief Executive

National Land Transport Programme
Richard Braae – Planning & Evaluation Manager – Funding

Asset Management Approach to Maintenance Evaluation
Janice Brass – Senior Evaluation Analyst – Funding

Road Safety Engineering – Program Update
Peter Croft – Manager, Safer Roads

Communication with Transport Partners
Maree Faid – Principal Planning Advisor – Funding

Observations

Assets:

- State highways – 10,800 km (\$331 m/yr)
- Local roads – 81,700 km (\$305 m/yr) – 59% sealed
 - Structural maintenance – 67%
 - Corridor maintenance – 21%
 - Professional services – 12%

Role

- Operationalizing the policies of the ministry for the Road Controlling Authorities (Transit NZ – 14 regions, 74 councils, some regional councils and ONTRACK)
- Services such as vehicle registration and licensing.
- Collect revenue from heavy vehicles
- Police (road safety enforcement) and other safety related activities

Functions

- Promoting and funding
- Informing and assisting
- Regulating and monitoring

NLTP is the primary mechanism for allocating resources.

- Funding organization not an operator.
- Project proposed by partners
- Outcomes have to be considered by the partners
- Produced each year
- Detailed one year program, 10 year financial forecast
- Main – but not only - mechanism for funding Transit NZ and local government
- Allocation for 2004/2005 is \$1.42 b (NZ).
 - Local roads – 30% (also has local government match)
 - State highway – 52%
 - Passenger – 8% (largely subsidy to local government)

- Other activities – 6% (e.g. walking and cycling, mode shift of freight)
- Administration – 4%

Allocation Process

- Stage 1 – Formulation – approved organizations
- Stage 2 – Assessment – compare to LTMA requirements, consider alternative funding options. For development activities includes 1) seriousness and urgency, 2) effectiveness, and 3) efficiency, and rate in terms of High, Medium and Low to create a profile.
- Stage 3 – Prioritization – use assessment factors, costs. Maintenance gets first priority. Not in current version of policy but has been in previous versions. Rating profile not included in a rigorous way.
- Stage 4 – Programme – Forward 10-year programme prepared, timing and availability of funding considered
- Stage 5 – Approval - Sign off if LTMA requirements are met **and** funding is available.
- Stage 6 – Monitoring – Includes delivery of packages and activities.

Guidelines from LTNZ to road authorities (Transit NZ, councils and regions)

- Maintenance guidelines are set by road type through a consensus view of best practice
- Instructions (annual in October)
- Limited requirements – focus on good practice -
- Approved organizations submit
 - Asset management plans
 - Annual statistics (asset base, performance measures, achieved work)
 - Monthly claims
 - Annual funding requests
 - Programme development statement
 - Inventory updates
- Analysis/ Evaluation
 - Track historic costs
 - Trends in network condition
 - Benchmarking
 - Links to national objectives
 - Comparison to plan forecasts
 - Negotiate with each organization
 - Audits (procedural, financial, technical)

Relevant Legislation:

- Resource Management Act 1991
 - National Environmental Standards
 - National Policy Statements
 - Regional Policy Statements
 - Regional Plans
 - District Plans

- Land Transport Act 1998
 - National Land Transport Strategy
 - Regional Land Transport Strategy
 - National Energy Efficiency and Conservation Strategy
- Land Transport Management Act 2003
 - National Land Transport Programme
- Local Government Act 2002
 - Long Term Council Community Plans

Transit New Zealand –

Transit New Zealand

<http://www.transit.govt.nz/> (homepage)

Transit New Zealand – Corporate Profile

http://www.transit.govt.nz/news/content_files/Publication8_PDFFile.pdf

Transit New Zealand – Statement of Intent 2004/2004

http://www.transit.govt.nz/news/content_files/Publication27_PDFFile.pdf

Presentations

Overview of Transportation Asset Management

David Bates, National Asset Management

Relationship between Asset Management & Decision Making

Mark Owen – Asset Management Team Leader

Environmental Management at Transit

Lisa Rossiter – Environmental Director

Technical Aspects of Transportation Asset Management

Chris Parkman – Asset Information Manager

Information Dissemination and Understanding

Mark Owen

Benefits and Impacts of Transportation Asset Management

David Bates

Observations

- As a crown entity, Transit NZ has a board of its own controlling a 10,800 km network.

- Transit New Zealand is responsible for maintaining, operating, improving and protection of the network.
- All physical and technical work done by contract. Outsourcing began in 1992 (process began in 1989). Only change since 1992 has been to put more emphasis on setting strategic directions.
- Transit NZ became an asset management organization – not just how much work is accomplished but how does this relate to what the customers want and what does it mean to make the organization run efficiently.
- The legislation that defines the organization is the Land Transport Management Act (2004).
- Funding 100% from federal government (land transport fund – dedicated to transportation – road user charges on heavy vehicles, fuel tax, vehicle registration fees). Regional councils run public transportation. Local governments maintain their own systems (rates and contribution from land transport fund).
- Funding is negotiated with Land Transport New Zealand.
- Fund maintenance requirements first.

Current Challenges

- Demand exceeds capacity and funding
 - Traffic growth (60% in 10 years)
 - More vehicles per household
 - Funding (40% increase in 10 years)
 - Heavy vehicles (6.9% growth per year)
- Resources
 - Skill shortages (graduate training program has started)
 - Construction / maintenance resources
- Technology is outstripping ability to assimilate it
- Replacement of infrastructure not matching design lives.

Local Government Perspectives

Presentations

Peter Dudson – CEO National Asset Management Steering (NAMS) Group

Richard Kirby – Asset Manager, Manawatu District Council

Ian Marshall – Roading Manager Southland District Council (30,000 sq km, 5 km road network, 30,000 people) – Chairman RIMS

History:

- 1989 Local Government Reorganization – many units condensed into 74 local councils, 12 regional councils.
- 1993 – Report of the Auditor General
- 1995 – Draft of legislation
- 1996 – Adopted legislation focusing on asset management

- Current legislation – broadened the requirements to a more holistic objective.
 - Local government
 - Energy Utilities
 - Public Health Boards

National Asset Management Steering Group (NAMS) – formed in 1995 to “further asset management within the NZ local government sector as a not for profit organization.” Activities include publications, training and advancing asset management. Information is available on their website www.nams.org.nz

The Roding Information Management System (RIMS) was developed about 10 years ago to coordinate pavement modeling. It is a Committee of Ingeneum. RIMS is used by almost all road control authorities. Objective is to “lead, promote and develop best practice in road information management to ensure national wide consistency in deficiency”

Pictures



Main North-South Highway between Wellington (the capital) and Auckland (the largest population center).



Discussion with David Bates, Transit New Zealand



Discussion with Janice Brass, Land Transport New Zealand and others



Presentation - Roger Toleman, Deputy Secretary Strategic Directions, New Zealand Ministry of Transport

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